

WATER AND INFRASTRUCTURE COMMITTEE

Council of the County of Maui

MINUTES

July 2, 2024

Online Only via Teams

CONVENE: 1:34 p.m.

PRESENT: Councilmember Tom Cook, Chair
Councilmember Gabe Johnson, Member
Councilmember Tasha Kama, Member (In 1:48 p.m.)
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member (Out 2:27 p.m.)
Councilmember Nohelani U‘u-Hodgins, Member

EXCUSED: Councilmember Yuki Lei K. Sugimura, Vice-Chair
Councilmember Shane M. Sinenci, Member

STAFF: Jarret Pascual, Legislative Analyst
Paige Greco, Legislative Analyst
Carla Nakata, Legislative Attorney
Jennifer Yamashita, Committee Secretary
Lori Ann Tengan, Committee Secretary
Lenora Dinneen, Council Services Assistant Clerk

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lāna‘i Residency Area Office
Jade Rojas-Letisi, Council Aide, Makawao-Ha‘ikū-Pā‘ia Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office

ADMIN.: Caleb Rowe, Deputy Corporation Counsel, Department of the Corporation Counsel
Jordan Molina, Director, Department of Public Works
Ana Lillis, Deputy Director, Department of Planning
Jordan Hart, Planning Program Administrator, Department of Planning

OTHERS: (27) additional attendees

Resource Personnel

Shayna Decker, Director of Government and Community Affairs for Maui County,
Hawaiian Electric Company
Mat McNeff, Director of Maui, Molokai, and Lāna‘i, Hawaiian Electric Company
Dave Okamura, Director of Engineering, Hawaiian Electric Company

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PRESS: *Akakū: Maui Community Television, Inc.*

CHAIR COOK: . . .*(gavel)*. . . Will the Water and Infrastructure Committee of July 2nd, 2024, please come to order. The time is now 1:34. May I ask that all participants silence any noise-making devices. I am your Chair, Tom Cook. Members, per the Sunshine Law, please identify by name anyone who's in the room, vehicle, or work space with you today, exclusive of minors. Before we begin, I'd like to ask the Department Representatives who have joined online to please also turn your cameras on when it's your turn to speak. Now, I'd like to introduce the Committee Members. Committee Vice-Chair Yuki Lei Sugimura is excused. Councilmember Tasha Kama is excused, she will possibly be late. Good afternoon, Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha 'auinalā kākou. I'm streaming live and direct out of Nāpili. And I have two minors, who will not be named, one pocket Pit, Kingy Poo Paltin-Vierra, and any moment now, my husband will be pau hana, so then at that time, it'll be also an adult male named George Vierra.

CHAIR COOK: Welcome. Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. There's no testifiers at the Lānaʻi District Office, and I'm here and ready to work. Mahalo.

CHAIR COOK: Great. And good afternoon, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha 'auinalā, mai Molokaʻi Nui a Hina. I'm at the Molokaʻi District Office, alone on my side of the office, and we currently have no testifiers here. Mahalo, Chair.

CHAIR COOK: Thank you. Council Chair Alice Lee, good afternoon.

COUNCILMEMBER LEE: Aloha kākou. Alive and...partly alive. We're ready to go.

CHAIR COOK: Okay. And good afternoon, Councilmember Nohelani Uʻu-Hodgins.

COUNCILMEMBER UʻU-HODGINS: Good afternoon, Chair. I, too, am partly alive here at the Pāʻia Office, with Susan Clements and Jade Rojas-Letisi.

CHAIR COOK: And Councilmember Shane Sinenci is excused. He's on the mainland. From the Department of Public Works, we have Director Jordan Molina in the house.

MR. MOLINA: Good afternoon, Chair, and Members of the Committee.

CHAIR COOK: From the Department of Planning, we have Deputy Director Ana Lillis, who is online.

MS. LILLIS: Hello.

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CHAIR COOK: And we have Deputy...Planning Program Administrator, Jordan Hart, who is online; Deputy Corporation Counsel, Caleb Rowe. We also have with us here today three--two representatives in the house and one online. Representatives from Hawaiian Electric Company, Shayna Decker, Director of Government and Community Affairs for Maui County; Mat McNeff, Hawaiian Electric Director of Maui, Moloka'i, and Lāna'i; and online, David Okamura, Director of Engineering, Hawaiian Electric. Welcome. Members, without objection, I will designate Ms. Decker, Mr. McNeff, and Mr. Okamura as resource personnel under Rule 18(A) of Rules of the Council because of their expertise in today's subject matter as employees of an electric utility company. Any objections?

COUNCILMEMBERS: No objections.

CHAIR COOK: Okay. From OCS, our Committee Staff, Jarret Pascual, Paige Greco, Jennifer Yamashita, Lori Ann Tengan, Carla Nakata, and Lei Dinneen. Please see the last page of the agenda for information on meeting connectivity. Good afternoon, everyone, and thank you for joining us today's WAI meeting. We have one item on our agenda, WAI-12. This item relates to Bill 90 (2023) on underground utilities. Before we get started, the Department of Planning informed the Staff that they will have to leave at 2:45 p.m., and Hawaiian Electric will have to leave at 3:30 p.m. So, please prioritize your questions accordingly once we begin our discussion. Members, if there are no objections, I would like to take testimony after receiving opening remarks on WAI-12.

COUNCILMEMBERS: No objections.

ITEM 12: BILL 90 (2023), RELATING TO UTILITY LINES AND FACILITIES

CHAIR COOK: Okay. Thank you, Members. Bill 90 (2023) relates to utility lines and facilities. Members, Bill 90 amends Chapter 18, Maui County Code, which is the County's Subdivision Ordinance. Bill 90's purpose is to require the undergrounding of utility lines, which is an objective of the Countywide Policy Plan and the Maui Island Plan. At this time, I would like to ask Councilmember Johnson, the introducer of Bill 90, to please provide any opening remarks.

COUNCILMEMBER JOHNSON: Thank you, Chair. Yes, this bill is to underground our new power lines. As you all remember, as Councilmembers, we went to Lāhainā right after the fires--at the Westin, remember that big meeting? When I mentioned this bill about undergrounding power lines, everybody had a roar of agreement, of applause. They wanted that to happen. Now, we're here. I wrote the bill three months after the fire, and thank you, Councilmember Cook, for introducing this and...or having...allowing us to have this conversation. Honolulu wrote this bill in 1960s, right? And to this day, that bill is in effect. And that's why I think now is the perfect time to understand why we're not doing this. We should be doing this. We should underground power lines. I'm a...you know, when I'm not being a Councilmember, I'm a farmer, and this week, I've been really involved in my farming activity. And one thing I thought is, the best time to plant a tree was 60 years ago, the second-best time to plant a tree is right now.

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And I really feel that this bill is addressing the Lāhainā fire. I know we can talk about the costs, and the pros, and the cons, but that's why I'm really glad that we're having this discussion. You mentioned no legislative action will be done today, so let's start the discussion. I want to hear what the Councilmembers are saying, what our experts are saying, what the departments are saying, because I feel that this time...this bill is a long time coming, and I welcome the discussion. So, thank you so much, Chair.

CHAIR COOK: . . .*(inaudible)*. . .

MR. MOLINA: Thank you, Chair. Jordan Molina, Director with Public Works. We had previously transmitted comments by letter dated November 6, 2023, and we just refer you back to those comments describing the mechanisms of the bill, and some of the potential impacts for Council to be aware of. We have no further comments at this time. Thank you.

COUNCILMEMBER JOHNSON: Oh.

CHAIR COOK: Member Johnson.

COUNCILMEMBER JOHNSON: Chair, I wanted to add one...two points that I forgot to add on my point sheet here.

CHAIR COOK: Proceed.

COUNCILMEMBER JOHNSON: Thank you. This...this bill was recommended by several of the wildfire prevention plans that we've looked over, as I'm sure you guys remember those plans. They recommended undergrounding power lines. And I wrote this bill in September, not three months after the fire. That was my mistake. So, in September this bill was pushed out, so that was quite shortly after the fires. Thank you, Chair.

CHAIR COOK: Okay, thank you. Okay, Planning Department, Deputy Director Lillis, and Mr. Hart, would the representatives from...would you like to make opening comments?

MS. LILLIS: The Department will largely stand on our correspondence dated November 3rd, 2023. I believe it's Granicus item number 7. So, thank you. Thank you, Chair.

MR. PASCUAL: Chair, this is Staff. I apologize. Member Paltin does have her hand up on Teams.

CHAIR COOK: Member Paltin.

COUNCILMEMBER PALTIN: Thank you. I just had a clarifying question. Did we invite the telephone wire companies?

CHAIR COOK: No, we did not, yet.

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COUNCILMEMBER PALTIN: Oh. Because there's some low-hanging wires in Makawao, just noticed that during the parade. We didn't take one out, but I think Alpha might of.

CHAIR COOK: Okay, thanks for pointing it out. I think this particular meeting today, we're focusing on the...on the primary big picture, and the other small utilities will be able to follow suit. If Maui Electric could do it, more than likely, the other ones could is the logic. But it will be further discussion, after this discussion.

COUNCILMEMBER PALTIN: Yeah. I just was referencing in like if somebody snags the telephone line and it brings the whole pole down with the electric as well. I was a little nervous there.

CHAIR COOK: Well, fortunately, the Director of Public Works is here, and he can relay that to us...before us. He might have already done that.

MR. MOLINA: Just a plug. When you see those things, please file a SeeClickFix request, and we can respond timely. Thank you.

CHAIR COOK: There you go. Would the representatives from Hawaiian Electric like to provide any opening comments on Bill 90?

MR. MCNEFF: Good afternoon, Chair Cook, and Councilmembers. Hawaiian Electric previously submitted written comments, and we stand on those comments, but we welcome any questions you may have.

CHAIR COOK: Okay. Staff, could you...since people are referencing their...the letters, and that's on Granicus, could you state what numbers there are in Granicus for our...our Members that are online, as well as any of the public?

MR. PASCUAL: Yes, Chair. So, we have on Granicus, attachment number 7, which is the correspondence from Planning dated November 3rd, 2023. We have the correspondence attachment number 8 from Environmental Management dated November 3rd, 2023. Attachment 9 is correspondence from Water Supply dated November 6, 2023. Attachment 10 is a correspondence from Public Works dated November 6, 2023. And then we also have the correspondence from Hawaiian Electric Company, attachment 13, dated July 1st, 2024. Thank you, Chair.

CHAIR COOK: Thank you, Staff. So, if anybody doesn't have access to that information, please bring it to the Chair's attention, but that's our reference points. Before we begin our discussion, let's see if anyone would like to provide testimony for WAI-12. Staff?

MS. GRECO: Chair, there's nobody that is signed up to testify at this time. Would you like me to do a final call?

CHAIR COOK: Yes, please.

MS. GRECO: If there's anybody in Chamber that would like to testify, please come down to

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the podium. If you're joining remotely, please raise your hand. If you're joining by phone, please do star-five. Doing a final call...three, two, one. Chair, there's nobody that's indicated that they'd like to testify.

CHAIR COOK: Thank you. As a reminder, written testimony will continue to be accepted. Members, I'm proposing two rounds of three-minute questions per member. Are there any objections?

COUNCILMEMBERS: No objections.

CHAIR COOK: Thank you, Members. I'd now like to open the floor for questions and discussions. Member Kama has not come yet. So, we'll start with Councilmember Paltin.

COUNCILMEMBER PALTIN: Oh, fun. Thank you. I guess...I was reading Public Works' response about that this basically extends underground requirements to rural, ag, and residential developments, and the cost, and things like that. If...like, say, we passed this bill right this moment, or--I mean, if it was able to like a month or two from now--with all the process and procedures, would it then apply to the repopulation or the rebuilding of Lāhainā Town?

CHAIR COOK: Director?

MR. MOLINA: Only for those rebuilds that will trigger subdivision requirements.

COUNCILMEMBER PALTIN: Oh. So, it would not have an impact on the Lāhainā repopulation unless there was a land swap with a subdivision requirement kind of thing?

MR. MOLINA: That's correct. There's also requirements if you exceed a certain number of dwelling units on the parcel, you can trigger subdivision improvements. But generally speaking, your typical single-family home, putting back a house and 'ohana, are not going to be affected by this bill at this time because they will not be triggering any subdivision requirements. Thank you.

MR. PASCUAL: Chair. So, before we continue discussion, I apologize. Could we, without objections, close oral testimony for this item?

COUNCILMEMBER PALTIN: That's cool with me. And I don't know if you want to --

CHAIR COOK: Members --

COUNCILMEMBER PALTIN: -- recognize Member Kama as well.

CHAIR COOK: -- first, I'm going to recognize Member Kama. Welcome. Could you please identify --

COUNCILMEMBER KAMA: Good afternoon, Chair.

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CHAIR COOK: -- is anyone with you in your room?

COUNCILMEMBER KAMA: No. I am alone in my workspace at my house.

CHAIR COOK: Welcome. So, Members, without objection, the Chair wants to close public testimony.

COUNCILMEMBERS: No objections.

. . .CLOSE PUBLIC TESTIMONY. . .

CHAIR COOK: Okay. So --

COUNCILMEMBER PALTIN: Shall I continue, or...

CHAIR COOK: You can continue with your question.

COUNCILMEMBER PALTIN: Okay. And then I guess maybe this is for HECO. What is the minimum roadway that is necessary to underground lines?

MR. MCNEFF: Thanks for the question. I can't speak to the minimum roadway required, but I believe the distance from wet utilities—so, like sewer or water--for undergrounding is a minimum of three feet. And then Dave Okamura can add anything if there's more to add.

COUNCILMEMBER PALTIN: I guess then --

MR. OKAMURA: Yeah, I mean --

COUNCILMEMBER PALTIN: Oh, go ahead.

MR. OKAMURA: I don't know if it's...yeah, this is Dave Okamura. I'm not sure if there is a minimum so much as, you know, if we don't have enough space on the sides, and we have to put thing...things in the roadway. Then there's additional requirements if there's gonna be travel on it.

COUNCILMEMBER PALTIN: What happens if you guys run into like blue rock or iwi, I guess, in Honolulu, if Honolulu adopted this?

MR. OKAMURA: Yeah. I mean all...all those proper protocols have to be followed for...related to iwi and blue rock. As far as blue rock, I mean, it just increases the cost.

COUNCILMEMBER PALTIN: And do you guys ever suggest people go off-grid? Or no because that's not going to help your business . . .*(timer sounds)*. . . model?

MR. MCNEFF: I don't think that would be our first --

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MR. OKAMURA: I'm having trouble with my mute button. Yeah.

COUNCILMEMBER PALTIN: That wouldn't be your suggestion? Okay. Got it. Thank you. I heard the bell.

CHAIR COOK: Okay. Thank you. Member Johnson, questions for our resource people?

COUNCILMEMBER JOHNSON: Thank you, Chair. This question is for Department of Planning. So, on your November 3rd letter, I'll wait until I see a camera on and we...we can...okay--one of the points...there was several things in the...in the letter I'd like to speak to you on the...Deputy Director Lillis. It's, I would say, the second to last page. It says...it's kind of going on...around with Councilmember Paltin was talking about, like blue rock or cultural significant areas, what do we do on there? It says, if desired, an additional revision could be included that would allow...add the following text, shown as double underscore. Whereas, determined by the Director, the subdivision includes cultural or historic areas of significance, an affordable housing component, or topographical surface and subsurfacing conditions that would prohibit undergrounding, the subdivider may...may, upon the Director's approval, arrange to have utility lines and related facilities installed overhead. Can you speak on that, Deputy Director Lillis?

MS. LILLIS: Yes. So, the Subdivision Code is administered by Public Works. And our Administrative Planning Officer, Gregory Pfof, was able to draft this letter prior to my time in Planning. So, we are happy to follow-up with Mr. Pfof, but I would defer administration of the Subdivision Code to Public Works.

COUNCILMEMBER JOHNSON: Okay. So, that sounds like more of a Public Works question, is what you're saying?

MS. LILLIS: Yes.

COUNCILMEMBER JOHNSON: Director Molina, would you like to speak on that? That language that they provided as a amendment almost?

MR. MOLINA: Apologize. I haven't had...reviewed the Planning Department's letter until just now. Would you mind --

COUNCILMEMBER JOHNSON: I can come back.

MR. MOLINA: Yeah, and repeat the question as well. Yeah.

COUNCILMEMBER JOHNSON: Okay. Well, basically it's like there's some suggested language by the Planning Department to address what Councilmember Paltin was saying about blue rock, cultural significance areas, or iwi. This basically gives them outs...or as determined by the Director, the subdivision includes cultural historic areas of significance, an affordable housing component, or topographical surfaces/subsurfaces conditions that would prohibit it...undergrounding. And basically, that would be up to

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the Director to do that.

MR. MOLINA: Yeah. I mean, I think it's good in these development codes to have that discretion because, you know, obviously, you cannot anticipate every condition.

COUNCILMEMBER JOHNSON: Right.

MR. MOLINA: And these are general guidelines. So, there's always going to be circumstances that may warrant, you know, consideration in that regard. So, I think that's, you know, a good measure to have that ability in the code.

COUNCILMEMBER JOHNSON: We want it to be safe, right? You know, that's a big part of it too. We don't want to have people digging underground. It's not safe, like a cliff, or some...like you say, all these different scenarios, right?

MR. MOLINA: Yeah. It's more so just how expensive it's going to be to mitigate those risks.

COUNCILMEMBER JOHNSON: Okay. Since you brought up the costs, I'm just going to kind of ask you in a way like if cost is the major factor, I think that's something that a County that has a one point billion-dollar budget, we could...we could work with. But other things, other hurdles that I would be ...*(timer sounds)*... concerned about is probably...I'd like to hear your opinion on next round. But really, I think the idea of cost, we can make things work where...when...we're—in this County. But as far as other hurdles, I'd like to hear your opinion on the next round. Thank you.

MR. MOLINA: Yeah. If I may, Chair. As...as this provision notes, cultural being...historic resources being one of the biggest field challenges we deal with. You always...sometimes you don't have very many options to design around those features. And because of the sensitive approach we take to digging, just that additional time and oversight...before you start digging, it's that time factor, really, that is as large as the cost factor sometimes. Thank you.

COUNCILMEMBER JOHNSON: Thank you. Thank you, Chair.

CHAIR COOK: Member Rawlins-Fernandez, questions for our resource people?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Mahalo, Chair. Okay. So, in response to Member Paltin's questions, my first question is for the introducer of the legislation, Member Johnson. So, when drafting the legislation, was it the goal, as you kind of alluded to in your opening remarks, to have Lāhainā undergrounded with this legislation...Lāhainā's wires undergrounded?

COUNCILMEMBER JOHNSON: Right. I would love to make that happen. It's a matter of how we would...we would get there. So, right now, as the bill is written, it's for new...new projects, but I kind of wanted Lāhainā to decide for Lāhainā, you know. If that's the...if this is...if that's the case that they want to go, then I'm...certainly would support. But this legislation is for new developments. I think that's the easy hump to go over. But if

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Lāhainā wants it, and we...we got the political will to do it, I'm full support of doing it that way as well.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for clarifying. Okay. So...hmm. I guess...so, we're going to...so, your plan then is to introduce this legislation first, to require any new expansion of service to be...to have the utility lines undergrounded. And then later on, when the Lāhainā community decide on this issue, whether they want it...because in your opening remarks, you said that at the GREAT Committee meeting at the Westin, that it was like, you know, loud applause, that that...it was something that they wanted. So, I guess, it made it sound like this was in response to that. So, this is in response to that for new development, not to provide for undergrounding the lines in Lāhainā specifically right now?

COUNCILMEMBER JOHNSON: If there's a way we could amend the legislation to do that, and we have the folks from Lāhainā who are on board with doing that, maybe there's a way. But as the bill is written, it's for new. And I...I...I know a lot of people get burned out from testifying, but I was hoping that we could get some folks to testify on this bill, to see what the...the...the mood is. But my understanding is folks in Lāhainā want it, but I don't know if that's changed since then. But right now, as this bill stands, it's for new. If this body wants to amend it to make it that way, I'm...I'm...I'm all ears, you know? But right now, the bill is just for new. . . .*(timer sounds)*. . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Chair. I heard the timer.

CHAIR COOK: Thank you. Chair Lee, questions for our resources?

COUNCILMEMBER LEE: Thank you. For HECO. If, let's say, a lot of people in Lāhainā want this underground utility service, how much longer and how much more would it cost them?

MR. MCNEFF: I think the...thank you for the question. I think the longer is difficult to tell, but in 2023, Hawaiian Electric did sort of a rough cost estimate to underground the remaining distribution for Maui. And now...so currently, on Maui, most of the distribution is already underground. So, to...rough order of magnitude to underground the remaining distribution lines was seven billion. So, I'm not sure how much of that would be specifically for Lāhainā, depending on how it's rebuilt.

COUNCILMEMBER LEE: So, it would...would it take...would it be fair to say it would take twice as long to install that because of the uncertainty of what you may uncover, you know, judging the...the...the land?

MR. MCNEFF: Oh, for sure, it'll take longer, depending on the...because of the uncertainty of what we would find. I...I'm not sure on exactly how much longer it would take.

COUNCILMEMBER LEE: Is this something that was in your long-term plans, that you would provide this...you know, propose this?

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MR. MCNEFF: As far as Lāhainā goes, currently, we are waiting to see what the community wants and how they want to rebuild. Our plans include hardening much of the infrastructure across Maui, especially looking at like evacuation routes and trying to harden along them. Undergrounding is one form of the hardening that we would look at.

COUNCILMEMBER LEE: And do you think you have the capacity to do that? Do you have enough people, resources to...to do a project of that size?

MR. MCNEFF: Yes.

COUNCILMEMBER LEE: You know, because on the...because I'm...I'm on the...I'm thinking that if you're simply following this ordinance, which would apply to new subdivisions, let's say, you wouldn't have the challenges of an existing subdivision like Lāhainā, for example, and people wanting to build at all different times, you know. And not to mention how this needs to be coordinated with sewer and water, right?

MR. MCNEFF: So, specifically for this ordinance, typically it would be the developer that builds and pays for the undergrounding of a subdivision. So, our...our involvement in that would be minimal.

COUNCILMEMBER LEE: Okay. Anything you want to add, Jordan?

MR. MOLINA: Yeah. Thank you, Chair. And thank you, Member Lee. Regarding the time to, in Lāhainā setting, to rebuild your home, your water, sewer is already at the property. To take an overheight...overhead line, to then run it underground across the street, is going to trigger an additional roadway permit for those property owners. . . .*(timer sounds)*. . . We automatically going to add that time and costs to those property owners. Granted, if they're on the side of the pole already, little bit less. But if they're across the street, now they have to pay to come across the entire road, deal with those potential conflicts in the road, if they have to, to make that happen. So, all that adds to the rebuild time. Thank you.

COUNCILMEMBER LEE: Thank you.

CHAIR COOK: Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. *(Clears throat)* Excuse me. This question is for Director Molina. So, the County only installs water and sewer and the street lighting, yes? And then electric, telephone, cable, Internet, those are all the private companies. So, regardless, I think, of our budget, we wouldn't...unless we're planning on subsidizing these private companies, we're not necessarily paying for that installation, yes?

MR. MOLINA: Oh, thank you, Member U'u-Hodgins. Yes. And that's true for Water and Wastewater as well. When it comes to a development project, they're on the hook for those...establishing those services and those costs.

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COUNCILMEMBER U'U-HODGINS: Okay. And I guess this question is for HECO. If...if we were to underground the utilities, at \$7 billion, that would be paid for by everybody who has lights?

MR. MCNEFF: Typically, one of the, I guess, principles in our tariffs or our rules is that the person or the entity that is causing the improvement is the one who pays. And so, for example, that's why if a new subdivision is...is built, it's the developer that fields the cost of the undergrounding and then, you know, adds that to the price of the homes in the area.

COUNCILMEMBER U'U-HODGINS: Hmm. Okay. And then, I think Chair Lee asked how much it would cost. But ultimately, the cost of however much it is...because I assume, barring all the variances or audibles that might happen when you're undergrounding anything, whether...like Member Paltin said, the rock or cultural situations can obviously create your different price costs, and then that would ultimately then be passed on to the homebuyer. And then, if you could maybe give me an estimate--and again, I understand that there's a big variable in cost--but considering your folks' experience on the other islands, how much does it typically cost for, let's say, a quarter mile or something, or a half mile of undergrounding of big utilities?

MR. MCNEFF: As far as...I can't give a dollar figure, but undergrounding, as compared to overhead lines, typically costs five to ten times as much.

COUNCILMEMBER U'U-HODGINS: Okay. And how much does the overhead line cost?

MR. MCNEFF: Dave, do you have a rough answer for that?

MR. OKAMURA: Not with me right now. Sorry.

COUNCILMEMBER U'U-HODGINS: That's okay. Thank you. I appreciate you guys. Thank you. Thank you, Chair.

CHAIR COOK: Member Kama, do have questions for our --

COUNCILMEMBER KAMA: Thank you, Chair.

CHAIR COOK: -- resource people?

COUNCILMEMBER KAMA: Yeah. So, I...I want to continue on the discussion of the cost. So, it's been shared that...so, all of the cost for...of doing this underground falls on the developer, but ultimately, it's going to fall on the property owner, or the owner of that house, or whoever is going to move into that apartment building. Do you have some sense of what percentage a...a homeowner, or a renter, or whoever might want to move into these new facilities, what they might have to pay in terms of the increase in rent or the cost of their home?

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MR. MCNEFF: I'm sorry, I...I do not know that number.

COUNCILMEMBER KAMA: Okay. So, that is my concern, that when we start adding more things onto these things, that ultimately, the people we're trying to help to make their homes affordable, or their apartments affordable, don't become that because that'll be putting on more stuff and more stuff. But I understand that we have to weigh it with the safety of the people also. So, I'm just trying to figure out how do we get to that...to that happy place. But thank you, Chair.

CHAIR COOK: Thank you, Member Kama. For Chair's questions, first I'll make a comment to Staff. Outreach to some civil contractors and get, for the Members, some projected estimated costs for undergrounding. Generally, that's done by the private sector. And so, they'll have some information and it...there again, without plans, it'll simply be relative, but it'll be relevant. My question's for Director Molina. Could you clarify the current Title 18 requirements, and how this bill changes the existing?

MR. MOLINA: Yeah. Thank you, Chair. So, currently, when you do a subdivision, there's a provision in the Code regarding utilities that requires that undergrounding in most all districts, except Rural, Ag, and Residential. And so, the proposed bill would then require that all new subdivisions, including Rural, Ag, and Residential would be required to underground when they develop the new subdivision.

CHAIR COOK: When someone's doing underground utilities, what type of a permit do they get? Do they get a grading permit?

MR. MOLINA: Yeah. Generally, it'll be a grading permit that's tied to the construction plans that are approved for the subdivision. Additionally, they may have to pull...or they most likely will pull a roadway permit as well, to bring in the services from the main off the street.

CHAIR COOK: What other departments would be...would be the reviewers for that? Would SHPD be one of the people that it's...goes by?

MR. MOLINA: Yeah. But as part of the overall subdivision construction plan review, not just specific to the undergrounding component.

CHAIR COOK: Thank you. Members, ready for a second round? We'll start with Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. My question is for...shoot...on this...when...when we were talking about if it would apply to Lāhainā or not, and the time and cost it would take for building, the other...if...if Member Molina...or, sorry, I downgraded him...Director Molina could let us know, that's not all, right? Because if--you know, some of the roadways are 13 feet--because of easement encroachment, we would have to also take property to...to widen the roads. Is the water and sewer right in the middle of the road, and then three feet out? How...do you know how that works, Director?

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MR. MOLINA: Yes. So, those...similar setting where if the development triggers the subdivision improvement requirements, road widening being one of them, then the development would have to comply with those requirements. And if they needed to...if they were triggering water or sewer upgrades, then those would be part of the subdivision requirements they would have to comply with.

COUNCILMEMBER PALTIN: I was...I was kind of talking about our existing Lāhainā residential area, like Mill Camp, where it's not barely 20 feet, that it wouldn't...the road would need to be wider to underground the utilities because 13 feet isn't wide enough?

MR. MOLINA: We...generally speaking, I would suspect so, just knowing how much stuff goes in the ground when you try and underground. But again, unless they...yeah, if...if we're going to require that, then likely road widening, but we would need to do that engineering design to really know the extent to which undergrounding would be...or road widening would be necessary. Whether we could fit it in amongst the other utilities, we would have to study that further.

COUNCILMEMBER PALTIN: And so, if this is already only for Rural, Ag, and Residential developments, who is the existing it for, Urban or Industrial? Is that --

MR. MOLINA: That's correct.

COUNCILMEMBER PALTIN: -- because you said extra.

MR. MOLINA: Industrial, Hotel, Apartment, and Duplex.

COUNCILMEMBER PALTIN: Industrial, Hotel, Apartment, and Duplex. Even affordable apartments?

MR. MOLINA: That's correct. So, generally --

COUNCILMEMBER PALTIN: Regardless of...of zoning?

MR. MOLINA: Generally, they come in and ask for the exemptions from those requirements to you folks.

COUNCILMEMBER PALTIN: And...and when you're talking about apartment, it's not like Apartment district, it's apartment building, regardless of the zoning?

MR. MOLINA: The way we apply it is by zoning.

COUNCILMEMBER PALTIN: Oh, okay. So, like what if we just started out with Rural and Ag?
...*(timer sounds)*...

MR. MOLINA: Similar concerns, in large part just because of the...the space. So, you have to do a lot...a lot longer lines, a lot longer runs in Ag because of the...the size of the lots.

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And so, as you increase in the length of...you know, the amount of feet of underground you got to do, that just adds to the cost as well. So, it doesn't necessarily...it's not necessarily like better for one or the other.

COUNCILMEMBER PALTIN: Shoot, I only now remember the question I really wanted to ask. There's going to be another round, right?

CHAIR COOK: You will get another round.

COUNCILMEMBER PALTIN: Sweet. Okay, I heard the bell.

CHAIR COOK: Okay. Member Johnson, questions for our resource people?

COUNCILMEMBER JOHNSON: Okay. Chair, I'm going to try to catch up. There's a lot of things that speak on. So, Codes in Ordinance 18.20.0140 [sic], it has that idea of what...what we do when this wouldn't work in the...in the actual area. Section D, whenever the strict application of the requirements of this section will be impractical because of the nature of the surface, subsurface, or topographical conditions of the property to be subdivided, the Board of Variances and Appeals may approve such modification as reasonably necessary in the interest of public and not contrary to the intended purpose of this chapter. So, basically, there's a way for folks to go before the Boards and Variances to get...to get a variance on this in the other areas. So, next one is, I...for our next meeting, I would really hope we could get Fire and MEMA here. Those guys would really add a lot of good points to this conversation, Chair. The other thing is, you know, this...this goes...this is a bill that is following what our sister...brothers and sisters are doing in Honolulu since 1966, Members. I want to remind you, since 1966, some way, somehow, developers, utilities have found a way to do this. And it didn't take a town to burn down for them to do it. So, basically the...the cost of a town burning down versus the cost of these...these undergrounding power lines...I think it's a no-brainer. Let's talk a little bit about power lines. They cause fires, of course, when they get knocked down. They block evacuation routes when the road...when the power lines get in front of the evacuation routes. We saw that on Lower Honoapiʻilani Highway...or on Honoapiʻilani Highway that day. And they also cause car accidents. How many times have you heard stories of someone hitting a telephone pole, right? So, just burying the power lines, I think, is a good idea. So, my question is to MECO, is how...do you have any experience on how is Honolulu doing this since 1966? How is it not costing them \$7 billion since 1966? Can you speak on that?

MR. MCNEFF: Yep. Thank you for the question. Typically, when subdivisions are built, it's...it's on the developer to pay for the cost of undergrounding for that subdivision, and then, you know, however they want to allocate those costs to the...to the owners. As far as the Public Utilities Commission goes, and Hawaiian Electric, typically we are allowed to charge ratepayers for the most economical rate to get electric...electricity to their residence. If they want to upgrade to undergrounding, then they would typically pay the difference.

COUNCILMEMBER JOHNSON: So, it sounds like a bit of a public-private partnership, where

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you also have the PUC coming in and...and having a say in all this, right?

MR. MCNEFF: Yep. Since we're, you know, regulated by the Public Utilities Commission --

COUNCILMEMBER JOHNSON: Um-hum.

MR. MCNEFF: -- typically what is allowed in rates is overhead construction.

COUNCILMEMBER JOHNSON: Okay. So, just a point of information for the Members, some of...some of you folks were on the Council when this happened was...and some were not. When... . . .*(timer sounds)*. . . when Howard Kihune came before the Council to ask for 900K to bury the powerlines in his development, the Council said no. And yet, he got the money some way, somehow, to bury those power lines. So, it can happen. Thank you, Chair.

CHAIR COOK: Okay. Member Rawlins-Fernandez, questions for our --

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

CHAIR COOK: -- resource people?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. For HECO, you said that it's seven million per mile, the cost for undergrounding the line?

MR. MCNEFF: No. Typically it's about five to ten times the cost of overhead construction to underground the lines.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh. What was the seven million?

MR. MCNEFF: I...in 2023, Hawaiian Electric --

COUNCILMEMBER PALTIN: In billions.

MR. MCNEFF: -- did a rough cost estimate to underground the remaining distribution lines on Maui, and that was approximately equal to seven billion.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, seven billion. Okay. I was...I attended the Energy Conference the--last month or the month before, I can't remember--and someone from HECO, or a utility company on one of the panels, gave us a per mile estimate. Do you have a per mile estimate?

MR. MCNEFF: I would think that overhead...overhead construction is probably in the range of 500,000 to one million per mile.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then you said five to ten times as much as the overhead would cost?

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MR. MCNEFF: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then we know that overhead doesn't take too much time. How much time...how much longer would you estimate for undergrounding?

MR. MCNEFF: It's hard to come up with an estimate for additional time, you know, kind of depends on the specifics of subsurface conditions, iwi kūpuna, all those things kind of like are site-specific.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. So, I...I'm supportive of...of this direction. I think...I think us discussing, you know, what the obstacles are to doing this is...is...is a good part of the discussion. We know that cost and timing are two of the obstacles, but I...I don't want to limit our, you know, the parameters of the...our discussion by saying that it's only going to be on the ratepayers to...to shoulder the cost. I think, you know, we are able to get creative, you know, there...there is support. As member Johnson said, that one developer was able to somehow find the cost to...to pay for it. And I think, you know, like if there's support from the State or the Federal Government to support, you know, Lāhainā . . . *(timer sounds)*. . . then that could also help defray some of that cost. Anyway, I...I...I don't want to, you know, prevent us from even exploring this direction because we think that the cost would be too prohibitive. That...that's my main point. Mahalo, Chair.

CHAIR COOK: Thank you. Chair Lee?

COUNCILMEMBER LEE: Thank you, Member Rawlins-Fernandez, for your point. Okay. Now, is underground utility...or underground utilities more resilient and require less maintenance?

MR. MCNEFF: I think there's pluses and minuses to each type. Typically --

COUNCILMEMBER LEE: Is your microphone on, by any chance?

MR. MCNEFF: Thank you for the question. I think there are pluses and minuses to each type of construction. Undergrounding can mitigate a lot of the fire potential for that over...that comes with overhead construction. However, it's more difficult to find problems when something happens with the line. And as you saw, in the downtown network, where many of the lines were underground, it...it doesn't completely eliminate the risk for fire. And it's more difficult to restore in often cases...many cases.

COUNCILMEMBER LEE: What do you mean, it's...it doesn't eliminate it? It sure minimizes it, right?

MR. MCNEFF: Yes. It doesn't eliminate it, but fires...it reduces it, but fires can still occur in the manholes.

COUNCILMEMBER LEE: Oh, I see. What about insurance? How do the insurance companies

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view this? Would they lower their rates?

MR. MCNEFF: Sorry, who...whose rates?

COUNCILMEMBER LEE: The insurance companies, you know, underground versus overhead? The overhead, I would think, would be more risky.

MR. MCNEFF: I'm not...I'm not sure if, say, a subdivision...if the homeowners can pay less homeowners' insurance if...if it's undergrounded in their area.

COUNCILMEMBER LEE: So, do they have a longer life underground?

MR. MCNEFF: I believe it's approximately similar.

COUNCILMEMBER LEE: Similar.

MR. MCNEFF: Yeah.

COUNCILMEMBER LEE: Okay. Well, thank you. That's all I have.

CHAIR COOK: Member U'u-Hodgins, questions for our resource people?

COUNCILMEMBER U'U-HODGINS: Yes, thank you. I have a question. So, not related to permitting, but what kind of precautions or safety concerns do you have, in general, when we bury, let's say, electric lines in a tsunami or a flood zone area? What kind of precautions are we taking?

MR. MCNEFF: Typically, much of the underground infrastructure that we design will be designed to be submersible. But that being said, you know, having...having the cables underwater does increase the likelihood that there will be a fault.

COUNCILMEMBER U'U-HODGINS: Hmm. Okay. Thank you. Director Molina, I have a question for you. So, this is for...potentially for new subdivisions. What happens if somebody lives in existing subdivision, like an older subdivision, and either they're going to build a new house, or they're going to demolish their old house and build a new one? Do they then have to underground their own utilities to their house?

MR. MOLINA: Thank you, Member U'u-Hodgins. So, in that...in that example, the property is likely to not trigger any subdivision requirements. It's going to be more Building Code requirements, for which there's a trigger of, I believe, up to three dwellings on a lot. Beyond --

COUNCILMEMBER U'U-HODGINS: Um-hum.

MR. MOLINA: -- once you exceed that, then you effectively trigger the subdivision requirements, and would be required to comply with these provisions being proposed today.

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COUNCILMEMBER U'U-HODGINS: Okay. Like if somebody lived on a Rural lot, or a large Ag lot, and they have a main farm dwelling, a farm dwelling, and a farm worker dwelling, they would have to then install their electric lines underground?

MR. MOLINA: Correct. And even just large residential lots can trigger it as well if they go...because it's basically four or more dwellings on a lot.

COUNCILMEMBER U'U-HODGINS: Okay. Okay, thank you. And I know Chair Lee just kind of asked this question, but similarly, when you...when you bury the--any type of line, not...not necessarily electric lines underground, even for us, but I guess the wet lines are a little bit more obvious--how are you able to tell where needs attention and maintenance, short of hopefully not digging up an entire road?

MR. MCNEFF: Yep. So, there...there is a specialized equipment designed to find problems in underground lines.

COUNCILMEMBER U'U-HODGINS: Okay. Okay. Thank you.

MR. MCNEFF: That being said, it is not as obvious, or easy, or as quick as, you know, driving around and looking up.

COUNCILMEMBER U'U-HODGINS: Sure. Okay. Thanks.

CHAIR COOK: Member Kama, you have your...this your second round?

COUNCILMEMBER KAMA: Yes, this is my second round, Chair. But I have no more questions. Thank you.

CHAIR COOK: Member Paltin, this is your third round, you have...you're up.

COUNCILMEMBER PALTIN: Oh. Thank you, thank you. So, my question was yesterday, with the PSPS, is that your...or sorry, HECO's solution to everybody calling for underground . . .*(inaudible)*. . . power lines?

MR. MCNEFF: Thank you for the question. The Public Safety Power Shutoff is one aspect of our wildfire mitigation strategy. Other aspects are strategic hardening in specific locations, the deployment of weather stations and cameras, changing the configuration of the lines to make them less likely to contact each other. So, there's an entire strategy to mitigate wildfires. And the Public Safety Power Shutoff is just sort of like the last line of defense.

COUNCILMEMBER PALTIN: So, then I guess my question is for like the industrial area, and those newer subdivisions in Honolulu, where they are undergrounded, will they be PSPS'd, as well?

MR. MCNEFF: Thank you. It depends on the specifics. In many cases, a subdivision may be

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underground, but the lines that feed the subdivision are still overhead. So, in that case, if the lines were in a high fire risk area, it's possible that they'd also be subject to PSPS, or Public Safety Power Shutoff.

COUNCILMEMBER PALTIN: So, just because a subdivision's electric lines are undergrounded, it doesn't mean that their electricity won't be shut off in like super high windy conditions because the electricity that's going into the line underground is not underground.

MR. MCNEFF: Correct. That's a possibility.

COUNCILMEMBER PALTIN: Okay. And then...so, we could underground all these lines, and we'd still have the power shutoffs?

MR. MCNEFF: Correct.

COUNCILMEMBER PALTIN: And in...in O'ahu, is it also in the Agricultural district as well?

MR. MCNEFF: I'm less familiar with the O'ahu situation. Can I ask Dave Okamura if he has any comment on that?

MR. OKAMURA: And so then the question is if we have power shut off...the Public Safety Power Shutoff in the agricultural area, is that the question?

COUNCILMEMBER PALTIN: Because they're grounded...undergrounded in the agricultural or rural areas?

MR. OKAMURA: Oh, if the requirement is for underground. Yeah. Yeah, I'm not sure. But I...I feel like it's, you know, kind of steered toward the...when developers are building new subdivisions, whether it's for light industrial or for residential . . .*(timer sounds)*. . . that's when they're required to make it underground.

COUNCILMEMBER PALTIN: Lots to consider. Thank you.

CHAIR COOK: Member Johnson, third round.

COUNCILMEMBER JOHNSON: Thank you, Chair. Okay. Again, I always feel these three minutes are rushed, so let me just jump in. For Department of Planning, your letter of November 3rd, I want to jump back into that. So, one thing you...the recommendation on the very first page was removing the text, "but not limited to," which would then mean that the ordinance would only apply to electric, telephone, street lighting, cable vision...cable television services. And then you wrote and underlined, "and Internet services..." to add "Internet services as one of the utilities within the ordinance that would be required to be installed underground." I don't have a problem with that, that's fine. Do you guys have any comments on that, Deputy Director?

MS. LILLIS: Thank you. I may actually ask our PPA, Jordan Hart to see if he has any comments.

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COUNCILMEMBER JOHNSON: Okay.

MR. HART: Thank you, Chair. Leaving “including, but not limited to” opens the door for unknown utilities that may occur in the future. Thank you.

COUNCILMEMBER JOHNSON: Okay. And then the...okay. So, that was the one thing I just wanted to hear on that...that part of the recommended language change. I...I wanted to kind of speak a little bit to...before I mentioned the...how one of the developers came before the County and asked for money, I jumped...I...I spoke a little too quickly. He...he...he withdrew his ask, and then he went and found funds some other way. But we did not deny him. I think I misstated. And then the...so, he ended up finding a way to cover that...that cost. And then in...as far as what Councilmember Paltin was speaking on, her question was about O’ahu. In the ordinance, it says all subdivisions, O’ahu is...all subdivisions is counted. So, that's it. Thank you, Chair.

CHAIR COOK: Member Rawlins-Fernandez, the need for third round of questions?

MR. PASCUAL: Apologies, Chair. She had stepped away for a bit.

CHAIR COOK: Okay. Excused. Chair Lee.

COUNCILMEMBER LEE: Thank you. Again, HECO...so it's been 50 years-plus. And I find it hard to believe that nobody discovered or created some kind of new technology that would lessen the cost. Because you said it's five or ten times, you know, the overhead cost. I would think by now, you...you could figure out a way that'll be twice as much, which is maybe doable for most people. So, nothing new or in the works?

MR. MCNEFF: Thank you for the question. I think most of the cost isn't associated with the electrical infrastructure per se, like there's nothing special, or a...a ton more expensive about the...the lines. It's typically all the earthwork that is required for undergrounding that isn't required for overhead where the majority of the cost comes in. You know, I know there's been a lot of discussion on cost so far, and I just wanted to mention that Hawaiian Electric has, and will continue to, apply for Federal funding for our hardening efforts.

COUNCILMEMBER LEE: Okay. I was just thinking that, you know, if somebody came along and invented, instead of the...a thick line, it's like a little skinny line going through the underground, so it...it makes it faster and easier. And you don't have to unearth, you know, all these burials. So, that's what I was thinking.

MR. MCNEFF: Um-hum.

COUNCILMEMBER LEE: I guess I'm going to have to work on that. Thank you.

CHAIR COOK: Thank you, Chair Lee. So, Chair has a couple of comments, questions. This is for the Director. When they...or actually, this is actually...I'll ask MECO. Is...is your

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lines...is your easements primarily on the shoulder of the road, like where you would have a sidewalk and an easement or is it...I don't see it in the road often.

MR. MCNEFF: Yeah. Along roadways, it's typically in the right-of-way.

CHAIR COOK: So, the right-of-way would be the shoulder of the road --

MR. MCNEFF: Yes.

CHAIR COOK: -- not in the road. Not necessarily.

MR. MOLINA: It's a spaghetti web under there.

CHAIR COOK: Okay.

MR. MOLINA: Speaking from direct experience installing these in subdivisions, there's a lot of stuff to put these things underground. It's unbelievable.

CHAIR COOK: So, you would just have a vehicular-rated vault in some areas? Okay.

MR. MOLINA: Generally, the vaults, we squeeze them outside of the shoul--...the traffic areas. But all the...the conduits and everything crisscross and go under the road as well, in a lot of cases.

CHAIR COOK: Thank you. MECO, for...when you talk about underlying--underground, are the primary lines, the primary transmission lines, they basically always stay above ground? And then the secondary lines, I don't know all the terminology, but basically would be the underground?

MR. MCNEFF: Typically, it is more likely that the transmission lines are overhead. When Hawaiian Electric installs new transmission lines, or moves an existing transmission line, we do ask government agencies, as well as major landowners in the area, if there is a desire to underground that line, and whether there is the ability for anyone to pay for it. But typically, it's more likely that the distribution lines would be underground.

CHAIR COOK: Thank you.

MR. MOLINA: Chair, if I may, real quick.

CHAIR COOK: Please --

MR. MOLINA: I get --

CHAIR COOK: -- Director.

MR. MOLINA: -- I get those nice love letters from HECO with the millions of dollars of extra costs, casually asking me if I want to pay for additional undergrounding.

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. . .(laughing). . .

CHAIR COOK: Thank you. That's...that's Chair's comments. Planning has to leave at 2:45, that's in about ten minutes. Does any of the members have any questions for the Planning Department before they need to leave? Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. This is a overall view, and I'd like to hear the Planning Department. So, on one side, we have rebuilding with underground power lines. And then on the other side, I see some of the solutions being put forward is increased density, right? Let's build...let's build our homes because, you know, there's such a shortage of housing, we have such a shortage that people are really pushing density up. And the 'Ohana Assistance pilot project I fully support, but understand that we are getting more and more dense. And that is...in my opinion, and according to the Fire Department's opinion, that density can increase the...the fire concern that they have. So, for Planning, when it comes to Planning, I mean, where's the balance, right? We don't...we want to have...you know, density reduces costs, gives us inventory. But on the other hand, how safe is that going to be? Are we going to have a whole 'nother town go through this because we made everything so dense, and now we don't have any protections? So, that's kind of the balance. I'd like to hear Planning Department because they're leaving soon.

CHAIR COOK: Planning?

MR. HART: Chair. Thank you very much. You know, there's...there's quite a few towns in the nation, and I think that, you know, what happened in Lāhainā is...was a serious event, but irregular. So, we do have fire standards that are administered through the building permit process. So, I...I...in the work that I did working on the expedited permitting process, I do feel confident that we're being responsible in the reconstruction. And we are proposing ordinances to Council to increase density. There's an ordinance to add kitchenettes, there's an ordinance to allow one--this is this is for Residential--one dwelling unit per 2,500 square feet of lot area. And there's associated fire requirements that you trigger when you do propose those kinds of dwellings. But one thing that did...that I didn't notice in responding to this meeting is that it's potential that the kitchenette ordinance that's being proposed would trigger the subdivision ordinance. That's an unintended consequence that I didn't really foresee until looking at this. Because in the context of land use planning goals and good planning practices, general density is pref--...is preferred. It's preferred in our Island Plan to preserve the agricultural areas and concentrate our utilities and our community around the services that we're able to provide, rather than sprawling out, which is viewed as inefficient, wasteful, ugly, and just not the direction that we're going. So, I do think that we're, by our plans, engaging density, and try to do it responsibly. But I think that we do have to figure out a way to make it feasible, especially for the smaller scale--I'm going to call them developers, but they're just regular landowners--if you're just trying to build an 'ohana unit or an extra kitchenette, like technically, you're a developer. But in actuality, you're just a family that's trying to house somebody else. So, I do think we have to figure out ways to facilitate that. And...and I think that we can do that by enforcing the Building Code and the fire regulations through the permit process. And then for larger

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scale or regional . . . *(timer sounds)*. . . development, I think that there's capacity to absorb the greater costs that are being discussed.

COUNCILMEMBER JOHNSON: Thank you for...the time's up. Thank you for responding. Mr. Hart. I just...you know, a dense town with power lines above it gives me stress. That's my point. Thank you so much. Thank you.

CHAIR COOK: Thank you. Members, any other questions for the Planning Department before they have to leave? Seeing none. Thank you, Mr. Hart. Thank you, Ms. Lillis.

COUNCILMEMBER PALTIN: Oh, shoot. Can I ask one if they didn't like leave?

CHAIR COOK: Oh, no, you can. I apologize if I didn't see you. Member Paltin.

COUNCILMEMBER PALTIN: Is Mr. Hart still there? Oh, shucks. Oh. Hey, Mr. Hart, just wondering your thoughts of like what if it was just Ag and Rural, or just Rural, or just Residential? Sorry, my dog's a heavy breather.

MR. HART: I would...I would go back to the Island Plan and the community plans that we have. Well, the...it's all the Island Plans, right, and the community plans that we have. So basically, it is really . . . *(inaudible)*. . . in Ag especially, and then followed up by Rural because of the distances you're dealing with. So, then there's a question of...of what are you trying to encourage, or incentivize, or disincentivize? So, if you're...if you're increasing costs, then you're disincentivizing subdivision in the Agricultural districts. And...and we don't have that much Rural, but we do have some Rural. So, I think that you would look at the Island Plans for that, for...for guidance on what you want to do with that, separate from the basic safety and aesthetics consideration.

COUNCILMEMBER PALTIN: I guess just because, you know, how much of fallow ag lands we have is...is a little bit of a concern as well. And for us in West Maui, both times it was in kind of a fallow ag land areas that it...it's occurring. The fire today is kind of ag lands as well. And, you know, just even...even the whole area, just driving out to Pā'ia, driving to West Maui, it's all like this fallow ag land. So, that would be more so my incentive for...for ag lands. Like, you know, in...in the residential area, it's definitely a desire, but in the middle of a housing crisis, we're just adding on to the cost. But for ag lands, that's where a lot of the devastating fires begin is fallow ag land. So, that's why I'm...I'm kind of looking more so at that area. You can do farming without electricity. If you need electricity, you could do solar nowadays is...is kind of a thing. So, I just was wondering your thoughts on that.

MR. HART: Thank you, Chair. I think that there's a lot of options that can be looked at. I...I believe MECO quoted a...a few-year-old assessment of undergrounding the entire island. So you heard that.

COUNCILMEMBER PALTIN: . . . *(inaudible)*. . .

MR. HART: I think you can look at other measures. There's...there's...you could look at the

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taxation system in order to make sure that ag land's not fallow. Maybe there's ways of...of doing fire suppression, or preparing fire suppression situations under existing utility corridors. There's...I'm sure the utility industry has various things that they've addressed in other areas, short of just undergrounding. Not only that, the undergrounding schedule would practically be very long, even if we started tomorrow. So, I think that there's a lot of moving parts . . .*(timer sounds)*. . . or options that you get to try and address the concern.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR COOK: Thank you. Members, any other questions for the Planning? Any other questions for Maui Electric, or Director Molina? I have a question for Maui Electric. How are...how is the islands looking for power supply for Kahului to be, if Kahului was developed? We're looking at like 20,000...say we're looking at 20,000 homes for the island over the next 12 years. Does Maui Electric have the capacity to service that?

MR. MCNEFF: Thank you for the question. Yes. Currently, you know, we do forecast the needs for the island going out a number of years. We've had several requests for proposals that have produced, you know, viable projects, most recently, the 60-megawatt solar facility in Central Maui. So, we do anticipate being able to meet the needs of Maui going forward. There...there's definitely challenges, but we think we can meet them.

CHAIR COOK: Is electric vehicles one of those challenges?

MR. MCNEFF: It...it is one of the things that increases the load, but we see that as an opportunity.

CHAIR COOK: Okay. Thank you. Director Molina, do you have any...well, first, Members, do you have any closing questions before I ask for closing argument or closing discussion? Member Johnson.

COUNCILMEMBER JOHNSON: I beg your pardon, Chair. I'll wait for closing discussion. I don't have a question at this time.

CHAIR COOK: Okay. Director Molina...or actually, I'll ask MECO first because they have to leave at 3:30, although we'll be done by then.

COUNCILMEMBER PALTIN: I have a question.

CHAIR COOK: Okay. Member Paltin.

COUNCILMEMBER PALTIN: For MECO...or HECO, are you neutral on this, or did you have a leaning one way or the other on this bill?

MR. MCNEFF: On this particular bill, we are neutral.

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COUNCILMEMBER PALTIN: Oh, cool. And then I was wondering if you guys were looking into hydrogen power at all. I guess Hawai'i County is in partnership with Namie, Japan?

MR. MCNEFF: Yes. You know, HELCO, just like MECO and HECO, are all sort of like together as a family. So, any lessons learned from our hydrogen experience on the Big Island could be applied anywhere.

COUNCILMEMBER PALTIN: So, it's...it's not off the table. And then, if it were hydrogen power we were using, it would be safer for it to be in the air than underground because hydrogen gas is explosive and lighter than air? Is...is that your understanding?

MR. MCNEFF: I am not sure about that.

COUNCILMEMBER PALTIN: Of where you would want the lines for hydrogen power?

MR. MCNEFF: Correct.

COUNCILMEMBER PALTIN: Okay. And then if...if you were to move forward based on Hawai'i Island's results, there is no time frame, is there?

MR. MCNEFF: Not that I'm aware of.

COUNCILMEMBER PALTIN: Okay. All right. Thank you, Chair.

CHAIR COOK: Thank you, Members. I guess I do have one...one final question before I ask the Director for his comments. From...how...how do you foresee underground electric going with the SHPD and the...that aspect of doing trenching in a historic area?

MR. MOLINA: Painfully slow.

CHAIR COOK: Thank you. So, MECO, thank you very much, both of you--all three of you. Do you have any closing remarks?

MR. MCNEFF: We appreciate all the questions, and...as well as the bill. You know, Hawaiian Electric is in favor of hardening our system. And we try to do that in the way that will mitigate the most amount of risk for the least amount of cost. Definitely, undergrounding is one aspect that we can use, among other things, many arrows in the quiver. So, thank you, everybody.

CHAIR COOK: Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Thank you, once again, for allowing this discussion. I thought it was very helpful to really find out some details. Just in...in regards to Mr. Hart's conversation earlier about the vacant land and the fallow land and the tax structure, I fully agree and fully support the idea of creating a...a vacant land tax, and we're working on that out of my office. Everyone seems...I've...I've heard this talking point more than once, that it's going to take a long time, and it goes back to my

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original statement. The best time to plant a tree was 60 years ago. The second-best time to plant a tree is today. So, we should not look at how long it's going to take. It's like what time are we wasting by not doing it? I went down to Lāhainā Harbor on August 10th, right after the fires, to see if we could salvage anything for Expeditions Ferry, and they had an aluminum passenger ramp on wheels, on rubber wheels, that sat in the harbor untouched, unmelted. As I passed...as I got to there, I went down Front Street. I went down the Wainee Street, I think it's called. And I saw the powerlines that were burnt up, and they looked like dripping candle wax. It's just right there, in this total town of devastation--I'll...I'll never forget it. And I think many people in our community will never forget that day. So, if this is something that we can do that, yes, there's barriers, we've heard them today. And yes, there's going to be costs involved, and yes, there's going to be time involved. But if it...if South Maui's next, or Lāhainā gets hit again, or anywhere...it shouldn't happen anywhere. We...we...we should do everything we can to see if we can do...fix this. And again, O'ahu has been doing it since 1960s. I think we can learn from them, and try to look at new technologies or whatever it takes, new...new way...new ways to look at this problem because we don't want to have...ever have that happen again. So, thank you for allowing me to discuss this bill in your Committee, Chair. And hopefully we can come...come to some kind of legislation for our community. Thank you, Chair.

CHAIR COOK: Thank you, Member Johnson. Member Molina, any closing comments?

MR. MOLINA: Thank you, Chair. For the record, Director with Public Works. I guess I just wanted to make sure to clarify what we're talking about today. This bill addresses new development. So, it's not going to do anything about existing neighborhoods, existing towns that have overhead utilities. Because I feel like that the conversation has gone back and forth and interchanged those two conditions, and they're very different conditions. The other one is the cost, as far as being clear about who's paying for this stuff. The bill today, it's being paid for by the developer. And in the case of the person that found the money, he found the money by upping sales prices, so the buyers pay that cost. And for...and this is speaking just on my understanding of HECO, if we want HECO to be doing anything, the PUC has to allow them to charge for that cost to the ratepayers, which right now is not to pay for undergrounding. If the County wants to do it, that's a big CIP project we have to appropriate funding for. And the last point is, it'd be great to have unlimited budgets and funding, but that's just not a reality. So, we got to keep that in mind if we want to accomplish all the priorities we want to see while we're trying to rebuild Lāhainā. Thank you, Chair.

CHAIR COOK: Thank you, Director. So, we've heard from the Planning Department, we've heard from the Director of Public Works, we've heard from MECO. Thank you all for this discussion, it was very enlightening. If there's no objections, the Chair would like to defer this item.

COUNCILMEMBERS VOICED NO OBJECTIONS. (Excused: KRF, SS, YLS)

ACTION: DEFER pending further discussion

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CHAIR COOK: Thank you, Members, for a great discussion. And thank you to the Department of Public Works, Planning, and Hawaiian Electric for being here with us this afternoon. It is now 2:52, and we will adjourn this meeting. . . .*(gavel)*. . .

ADJOURN: 2:52 p.m.

APPROVED:



TOM COOK, Chair
Water and Infrastructure Committee

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Transcribed by: Charlotte Hunter

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CERTIFICATION

I, Charlotte Hunter, hereby certify that pages 1 through 28 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 9th day of August 2024, in Wailuku, Hawai'i



Charlotte Hunter